

**MINUTES OF THE
COMPETITION IN TELECOMMUNICATIONS INDUSTRY TASK FORCE**

Wednesday, July 10, 2002 – 9:00 a.m. – Room 403 State Capitol

Members Present:

Sen. Beverly Ann Evans, Co-Chair
Rep. Wayne A. Harper, Co-Chair
Rep. David Clark
Rep. Brent H. Goodfellow
Rep. Neal B. Hendrickson
Rep. Ty McCartney

Members Absent:

Sen. Ron Allen
Sen. Curtis S. Bramble
Sen. Alicia Suazo

Sen. John L. Valentine
Rep. Stephen D. Clark
Rep. David Ure

Staff Present:

Ms. Jami Momberger, Research Analyst
Mr. Thad LeVar, Associate General Counsel*
Ms. Patricia Owen, Associate General Counsel
Ms. Jennifer Markham, Legislative Secretary

*not authorized to practice law in Utah

Note: A list of others present and a copy of materials can be found at <http://www.image.le.state.ut.us/imaging/history.asp> or by contacting the task force secretary, Jennifer Markham, at 538-1032.

1. Task Force Business

Chair Evans called the meeting to order at 9:09 a.m.

2. Developing Technologies - Alternatives to LECs

Mr. Jerry Oldroyd, Attorney, Ballard Spahr Andrews & Ingersoll, discussed developing technologies and addressed the benefits and problems facing the state in attracting new companies. He emphasized that for Utah to attract companies the State must be willing to meet the telecommunications needs of companies and encourage competition in the telecommunications market.

Mr. Chris Bleak, Manager, Community Relations, Qwest Communications, discussed the problems confronting the telecommunications industry in developing new technologies. He outlined Qwest's role in competitive markets.

Mr. Phil Windley, Chief Information Officer, State of Utah, indicated that the main issue in developing new technologies is the lack of capital for investment. He stated that the method used by the State to regulate the telecommunications industry may inhibit investment choices of telecommunications companies. He described state programs that assist local leaders in telecommunications planning at the local level. He explained the concept of exchange points and the need for future development of exchange points in the State.

Mr. Darren Mossier, Business Sales Manager, Sprint, described Sprint's current programs and future developments. Mr. Mossier provided a copy of his presentation for the task force history.

Mr. Shane Muchmore, Western Regional Manager, State and Local Government Affairs, Sprint, emphasized the advantages of the State granting a sales tax exemption for equipment purchased by

telecommunication companies.

Mr. Scott Dansie, Director, Franchising & Local Government Relations, AT&T Broadband, provided an overview of AT&T Broadband's cable TV services and local phone services. He distributed a copy of his presentation.

Ms. Helen Seltzer, Chief Executive Officer, I-Link, described the services offered by I-Link. She stressed the need for applications that allow more efficient and effective services. She stated that not all telecommunications is focused on capital and emphasized that new less capital intensive technologies need to be encouraged.

Mr. Michael McCandless, Manager, Public Relations, Emery Telcom, highlighted the challenge of educating customers on available telecommunications services.

Task Force discussion followed.

3. Telecommunications Taxes

Ms. Owen provided an overview of Utah's telecommunications tax and distributed "Taxation & Telecommunication." Ms. Owen distributed a survey "Information Request on Telecommunications Taxation."

4. Other Items/Adjourn

Chair Evans turned the meeting over to Rep. Harper.

The next meeting of the Task Force was scheduled on August 20 at 2:00 p.m.

Chair Harper discussed the tentative schedule for the remainder of the interim.

Task Force discussion followed.

MOTION: Rep. Clark moved to adjourn the meeting. The motion passed unanimously, with Sen. Evans absent for the vote. Chair Harper adjourned the meeting at 11:30 a.m.